



The Commonwealth of Massachusetts

**DEPARTMENT OF
TELECOMMUNICATIONS AND ENERGY**

November 1, 2005

D.T.E. 05-66

Investigation by the Department of Telecommunications and Energy on its own motion as to the propriety of the rates and charges set forth in the following tariffs: Boston Gas Company, M.D.T.E. Nos. 101.2 through 112.2, filed on September 16, 2005, to become effective November 1, 2005.

APPEARANCES: Thomas O'Neill, Esq.
Boston Gas Company, d/b/a/ KeySpan Energy Delivery New England
52 Second Avenue
Waltham, Massachusetts 02451

Petitioner

Thomas F. Reilly,
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Utilities Division
One Ashburton Place, Room 1813
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Commenter

I. INTRODUCTION

On September 16, 2005, Boston Gas Company d/b/a Keyspan Energy Delivery New England (“Boston Gas” or “Company”), pursuant to Boston Gas Company, D.T.E. 03-40 (2003), filed with the Department of Telecommunications and Energy (“Department”) the Company’s second annual compliance filing (“Compliance Filing”) under performance based regulation (“PBR”), proposing to revise tariffs M.D.T.E. Nos. 101.2 through 112.2. The Company proposes to increase its total annual base distribution revenues by \$7.19 million or 2.29 percent, based on the PBR formula adopted in D.T.E. 03-40 (Compliance Filing, Attachment 2, at 2). In addition to the base distribution rate adjustment, the Company also proposes to collect under-recoveries of gas-related bad debt expense as an exogenous cost beginning in January 1, 2004, and until such time as the Department may allow for recovery of the actual amount of gas-related bad debt write-offs through the cost of gas adjustment clause (“CGAC”) (Id. at 2-3). This matter was docketed as D.T.E. 05-66.

Pursuant to notice duly issued, on October 20, 2005, the Attorney General of the Commonwealth of Massachusetts filed comments (“Attorney General Comments”). On October 25, 2004, the Company filed reply comments (“Boston Gas Comments”). The Company also responded to four Department information requests.¹

¹ The Department, on its own motion, moves the Company’s responses to information requests DTE 1-1 through DTE 1-4, into the evidentiary record in this case.

II. COMPANY'S COMPLIANCE FILING

Boston Gas' PBR formula provides for an annual adjustment to the Company's rates by taking the previous year's normalized base revenues (after service quality penalty adjustments)² and increasing that number by a factor comprised of an inflation index, minus a productivity growth offset, plus an exogenous cost factor (when applicable). D.T.E. 03-40, at 471-497. The inflation index is calculated as the percentage change between the average of the current year's and prior year's four quarterly measures of the gross domestic product chain weighted price index ("GDP-PI") as of the second quarter of the year. Id. at 473.

The Company's normalized base revenues for 2004 were \$314,183,985 (Compliance Filing at Attachment 2).³ The Company proposes to increase its normalized base revenues by 2.29 percent (id.). To reach this factor, the Company calculates an inflation index of 2.70 percent (id.). The Company then subtracts the 0.41 percent productivity growth offset, which has been approved by the Department in D.T.E. 03-40 and will remain constant throughout the life of the PBR plan. Applying a factor of 2.29 percent to the Company's 2004 normalized base revenues of \$314,183,985 results in a proposed revenue increase of \$7,194,813 (id. at Attachment 2, at 1).

² Boston Gas reports no service quality penalties in 2004. See Boston Gas Company, D.T.E. 05-16.

³ The Company decreased its 2004 test year actual revenues for a billing day adjustment and for the effect of a colder-than-normal weather (Compliance Filing at Attachments 1, 4).

The Company did not propose an earnings sharing adjustment because its 2004 year-end actual return on equity of 6.83 percent falls within the 400 basis points bandwidth around the Company's authorized return on common equity where earnings sharing does not occur (6.2 percent to 14.2 percent) (id. at Attachment 2, at 4; see D.T.E. 03-40, at 498, 502).⁴ The Company proposes to design the charges for each rate class by increasing the monthly customer charge up to the rate of inflation and recovering the remaining class revenue requirement from the other component charges (id. at Attachment 3).

In addition to the base distribution rate adjustment, the Company also proposes to collect under-recoveries of gas-related bad debt expense as an exogenous cost. In D.T.E. 03-40, the Department established the amount of gas-related bad debt expense that Boston Gas would be allowed to recover and established the ratio for the amount of this expense to be collected through its CGAC. D.T.E. 03-40, at 266-268. As a result of D.T.E. 03-40, Boston Gas states that it was allowed to collect gas-related bad debt expense in the amount of approximately \$10,777,000 through the CGAC for the period November 1, 2003 through October 31, 2005 (Compliance Filing at 3). However, the Company states that

⁴ Boston Gas calculated a return on equity of 6.83 percent (Attachment 2, page 4). However, it appears that the Company's calculation failed to account for additional adjustments to net income required to (1) recognize the full effect of the Company's financing of its KeySpan-related acquisition premium, and (2) correct the allocation of interest charges related to the Company's acquisition premium adjustments. See Department Letter re: Annual Returns (April 3, 2003). Taking these adjustments into account, the Department calculates that Boston Gas' return on equity for 2004 is 10.49 percent.

the difference between the Company's actual gas-related bad debt expense for 2004 and the amount allowed by the Department for recovery through the CGAC is \$9,381,629 (id. at 4).

The Company proposes to collect this under-recovery of gas-related bad debt as an exogenous cost, beginning January 1, 2004, and until such time as the Department may allow the

Company to recover the actual amount of gas-related bad debt write-offs through the CGAC.⁵

Boston Gas has proposed the following two alternatives to collect under-recovered gas-related bad debt expense:⁶

- In the first alternative ("Alternative 1"), Boston Gas would collect under-recovered gas-related bad debt through its annual PBR rate adjustment filings starting in November 2005 for 2004 costs (as well as November and December 2003) and again in November 2006 for 2005 costs. According to the Company, under-recovered gas-related bad debt costs for the 14-month period

⁵ Boston Gas has intervened in Bay State Gas Company's pending rate case investigation, Bay State Gas Company, D.T.E. 05-27. In that case, Boston Gas has requested that the Department establish a policy applicable to all gas distribution companies that actual gas-related bad debt expense be recovered through the CGAC on a reconciling basis. D.T.E. 05-27, Boston Gas Brief at 3-18 (August 31, 2005).

⁶ The Company has also proposed a third alternative ("Alternative 3") in its CGAC filing that involves recovery exclusively through the normal CGAC reconciliation process (KeySpan Peak Gas Adjustment Factor filing, October 19, 2005, at 4-5).

November 2003 through December 2004 are \$9,012,035 (Compliance Filing at 5).⁷

- In the second alternative (“Alternative 2”), Boston Gas would collect under-recovered gas-related bad debt expense through the CGAC starting with the peak period reconciliation for the 2004-2005 heating season for costs from November 2004 (with costs from November 2003 through October 2004 to be recovered through this PBR rate adjustment filing) (*id.*).⁸

III. SUMMARY OF COMMENTS

A. Boston Gas

Boston Gas argues that \$9,381,629 in under-recovered bad debt expense meets the Department’s standard for exogenous cost recovery and should be recovered by the Company. According to the Company, the increase in gas-related bad debt expense is a cost change that is: (1) beyond Boston Gas’ control; (2) results from regulatory and market changes uniquely affecting the natural gas industry; and (3) not captured in the GDP-PI (Compliance Filing at 4).

⁷ In the Company's last rate case, the Department directed Boston Gas to calculate its gas-related bad debt expense by multiplying the percent of bad debt write-offs related to gas costs to a total annual bad-debt expense of \$9.326 million (Exh. DTE 1-2). In the first year after the rate case, November 2003 through October 2004, the Company was allowed to recover \$5.157 million for gas-related bad debt. For the months November 2003 through February 2004, the Company states that it calculated the gas-related bad debt targeted for recovery by multiplying the actual monthly net write-offs by 55.3 percent. For the months of March through October 2004, the Company amortized the difference between the targeted amount of \$5.157 million and the amount recorded from November 2003 through February 2004 over an eight-month period (*id.*). This method resulted in gas-related bad debt being recorded as an over-recovery of \$369,594 for the period November 2003 through December 2003 (*See* Compliance Filing at Attachment 9).

⁸ To facilitate implementation of this alternative, the Company has included in its 2005-2006 peak period CGAC filing, bad debt expense under recoveries for the period November 1, 2004 through April 30, 2005 (Compliance Filing at 5).

First, Boston Gas states that, because gas companies have no control over commodity prices that are established in the competitive marketplace, when gas prices increase, the total dollar amount of gas-related bad debt expense will increase regardless of the Company's efforts to collect overdue amounts from customers (id.). Second, contrary to the Attorney General's contention, Boston Gas argues that changes in gas and gas-related costs do impose a "unique burden" on local gas distribution companies (Boston Gas Comments at 2). Specifically, Boston Gas argues the burden is unique because local gas distribution companies must buy and resell natural gas to customers at no profit and without recourse to recover gas-related costs without authorization by the Department (id.).

Third, the Company argues that changes in the cost of gas have far exceeded the level of inflation captured by the GDP-PI during the compliance year. According to Boston Gas, the GDP-PI was 2.70 percent during the compliance year. However, Boston Gas states that gas commodity costs increased in the same period by 102 percent as compared to the test-year level. Although the Company accepts that energy costs may influence the GDP-PI, the Company argues that gas-related bad debt expenses are not a factor considered in establishing the GDP-PI (Boston Gas Comments at 2-3).

Finally, Boston Gas disputes the Attorney General's contention that it is seeking to adjust its CGA formula or change the way it calculates its bad debt expense. Instead of a change in formula or method, the Company argues that it is only seeking to recover the amount of under-collected gas-cost related bad debt expense actually incurred as a result of recent gas cost increases (id. at 4). Boston Gas states that the Company's customers and participants in

D.T.E. 03-40 were provided notice in this proceeding of the Company's proposal to recover under-collected bad debt expense either as an exogenous cost or as part of the normal reconciling process of the CGAC. Therefore, Boston Gas argues that no further adjudicatory process is necessary to permit the collection of under-recovered bad debt expense (id. at 4-5).

B. Attorney General

The Attorney General argues that the Company's under-recovery of gas-related bad debt expense does not qualify as an exogenous cost for several reasons (Attorney General Comments at 1). First, the Attorney General contends that the increase in the commodity price of natural gas that the Company claims drives the cost of its bad debt expense higher is not unique to the local gas distribution industry (id.). The Attorney General argues that an increase in the commodity price of natural gas affects the economy in general and, therefore, is incorporated into the GDP-PI (id.). If the Department were to allow the Company to recover these costs as exogenous, the Attorney General argues that Boston Gas would, in effect, be recovering the costs twice – once through the inflation factor in its PBR and once through an exogenous cost adjustment in its PBR (id. at 2, n.1).⁹

⁹ The Attorney General opines that the increases in energy costs cited by Boston Gas have increased the GDI-PI during the period used to determine the Company's PBR inflation factor – increasing that factor by as much as 50 percent over previous periods and, consequently, adding as much as \$2.9 million to the Company's requested revenue increase under the PBR formula. Therefore, the Attorney General contends that the Company has already received some "offsetting compensation" for increased bad debt expense through its PBR formula (Attorney General Comments, Newhard Affidavit at 2).

Second, the Attorney General argues that the increase in bad debt expense is not exogenous because it is within the control of the Company (id. at 2). Specifically, the Attorney General contends that the Company can substantially affect its level of bad debt expense through its accounts receivable accounting, billing and recovery practices (id.).

Third, the Attorney General argues that the Company has provided no evidence to establish what its gross write-offs and recoveries were (Attorney General Comments, Newhard Affidavit at 2).

In addition, the Attorney General argues that the gas-related bad debt expense that Boston Gas seeks to recover is not distribution-related and, therefore, should not be recovered as an exogenous cost under the Company's PBR tariffs, which adjust the distribution portion of a customer's bill (id.) With respect to the Company's alternative proposal to collect the increased bad debt expense through the CGAC, the Attorney General argues that the CGAC formula was set in D.T.E. 03-40 and that any changes to the formula of a reconciling tariff require notice and an adjudicatory hearing (id., citing Consumers Organization for Fair Energy Equity, Inc. v. D.P.U., 368 Mass. 599, 606 (1975)). Finally, the Attorney General argues that the Department set the method of Boston Gas' recovery of bad debt expense in D.T.E. 03-40 where it investigated the historic level of the expense as well as the effectiveness of the company's debt collection practices. The Attorney General states that because the

Company did not appeal that decision, the Company should not be allowed to revise that decision now through a separate proceeding (id.).¹⁰

IV. ANALYSIS AND FINDINGS

A. Base Distribution Revenue Adjustment

Boston Gas is required to submit with its annual PBR filing: (1) documentation of its normal billing determinants and revenues to determine the weighted average price to which the price cap will be applied; (2) a calculation of the new price cap, including documentation of the exogenous factors and capital cost changes; (3) a development of new rates consistent with the annual price-cap calculation; and (4) class-by-class bill impacts, including gas costs, comparing the proposed rates to the then-current rates. D.T.E. 03-40, at 507-508. After review, the Department finds that the Company's proposed base distribution revenue adjustment is consistent with D.T.E. 03-40 and other applicable Department precedent. See Boston Gas Company, D.P.U. 96-50 (Phase I) at 36-40 (1996); Boston Gas Company, D.P.U. 93-60, at 74-80 (1993). In addition, we find that the Company's method of designing rates, which adjusts the monthly customer charge up to the rate of inflation and recovers the remaining revenue requirement from the other component charges, is consistent with the pricing and rate design flexibility approved in D.T.E. 03-40, at 503-504. Accordingly, the Department approves the Company's proposed base distribution revenue adjustment.

¹⁰ The Attorney General contends that the Company would be expected to have an increase in bad debt expense during a time of increased sales due to colder than normal weather as occurred in 2004. The Attorney General contends that this increase in sales increased the Company's base revenues by over \$4.8 million, thus offsetting increases in bad debt expense (Attorney General Comments, Newhard Affidavit, at 2).

B. Exogenous Cost Recovery

The Department has defined exogenous costs as positive or negative cost changes beyond a company's control that would significantly affect the company's operations.

D.T.E. 98-128, at 54. NIPSCO-Bay State Acquisition, D.T.E. 98-31, at 17 (1998); Eastern-Essex Acquisition, D.T.E. 98-29, at 19 (1998). Included in that definition are cost changes not included in GDP-PI resulting from, but not limited to, changes in tax laws that uniquely affect the local gas distribution industry; accounting changes unique to the local gas distribution industry; and regulatory, judicial, or legislative changes uniquely affecting the local gas distribution industry. Eastern Enterprises/Essex County Gas Company, D.T.E. 98-27, at 19 (1998); D.P.U. 96-50 (Phase I) at 292; D.T.E. 03-40, at 490.

In order to avoid costly regulatory processes over minimal adjustments, however, the Department requires cost changes to meet a minimum threshold, based on the company's operating revenues, before the company may propose recovery of an exogenous cost.

D.T.E. 98-31, at 18; D.P.U. 96-50 (Phase I) at 293. The thresholds are established on a company-specific basis to reflect a "principle of proportionality" in relation to the company's operating revenues. D.T.E. 98-128, at 55-56. Any individual exogenous cost must exceed the company's threshold in a particular year in order for the petitioner to request recovery of that particular exogenous cost increase. Id.; D.T.E. 98-31, at 18; D.P.U. 96-50 (Phase I) at 293.

In Boston Gas' case, the Department established a minimum threshold of \$800,000.

D.T.E. 03-40, at 492.

To recover exogenous costs during a rate plan, a petitioner must propose exogenous adjustments, with supporting documentation and rationale, as to the appropriateness of recovery of the proposed exogenous costs. Colonial Gas Company, D.T.E. 03-90, at 15 (2004). Therefore, proponents of an exogenous cost adjustment bear the burden of demonstrating: (1) that the cost change is of a type that is external to the company, is beyond the company's control, and is unique to the local gas distribution industry; (2) that the magnitude of the cost change exceeds the company's exogenous cost threshold; and (3) that the cost change is not included in the GDP-PI.

The circumstances confronting Boston Gas concerning its under recovery of gas-related bad debt expenses are not the result of changes in tax laws, accounting policies, or regulatory, judicial or legislative directives. However, these indicia of exogenous costs are examples, but are not exclusive. The basic definition of exogenous costs is positive or negative costs changes actually beyond the Company's control and not included in GDP-PI. D.T.E. 03-40, at 490, citing D.P.U. 96-50 (Phase I) at 292. The circumstances presented in this case meet this basic definition of exogenous costs.

We agree with Boston Gas' claim that the increase in the gas-related bad debt expense is due to unprecedented increases in gas commodity prices that have affected the level of the Company's gas-related bad debt expense. Between December 31, 2002 and December 31, 2004, the Company's total gas costs increased from \$344,987,263 to \$629,995,420, which is an increase of 83 percent (Boston Gas 2002 Annual Return at 48b; Boston Gas 2004 Annual Return at 48b). The Department notes that, although the increase in gas commodity prices

affects the natural gas industry and the economy as a whole, the impact of the high gas prices on gas-related bad debt expense and on the ability of Massachusetts local distribution companies to recover such expenses is unique to the local gas distribution industry, because local gas distribution companies must purchase gas for the customers it is obligated to serve and cannot recover such increased gas-related costs without authorization by the Department.

Further, the GDP-PI includes changes in the prices of the inputs that a company uses in its operations. However, the gas commodity that Boston Gas buys and resells to end use customers on a dollar-for-dollar basis is not used as an input in the Company's distribution operations. Therefore, cost changes associated with increases in the price of natural gas are not included in the GDP-PI as it relates to Boston Gas' PBR plan. Also, Boston Gas' PBR plan applies only to base rates, and not to its CGAC.¹¹ Therefore, the Company cannot double-recover gas-related bad debt expenses.

The level of the representative bad debt expense that the Department has allowed LDCs to include in rates is determined by using the average of the most recent consecutive three year's net write-offs as a percentage of the total retail revenues for the corresponding period ("the uncollectible ratio"). Fitchburg Gas and Electric Company, D.T.E. 02-24/25, at 162, 168. Gas companies allocate a portion of their bad debt expense from base rates to the CGAC.

¹¹ The Department notes that, even though CGA is separate from Boston Gas' PBR plan, the Company can propose to recover gas-related bad debt expense as an exogenous cost. The Department has allowed companies that are under a rate freeze or a PBR plan to propose recovery of exogenous costs outside the PBR mechanism. See e.g., Colonial Gas Company, D.T.E. 00-73 (2001); Colonial Gas Company, D.T.E. 01-73 (2002); D.T.E. 03-90.

Berkshire Gas Company, D.T.E. 01-56, at 96 (2002). Boston Gas' allowed level of bad debt expense in its last rate case was \$9.3 million. See D.T.E. 03-40, at 267. In comparison, the Company's total actual bad debt expense in calendar year 2004 was \$21.9 million, which is an increase of 132 percent compared to the allowed level (D.T.E. 05-27, Company response to Department record request No. 132). The level of Boston Gas' bad debt expense since January 2004 is significantly higher than the representative level that the Company is allowed to recover in rates (id.). We also note that the Company's ratio of bad debt to revenues remained relatively constant over the past eight years, which demonstrates that Boston Gas has not been negligent in its debt collection efforts (id.). Therefore, the Department finds that the level of the gas-related bad debt expense driven by substantial increases in gas costs that Boston Gas has incurred is beyond the Company's control. We further note that the amount that Boston Gas has proposed to recover exceeds the \$800,000 exogenous cost threshold approved for the Company in D.T.E. 03-40, and, therefore, qualifies for recovery as an exogenous cost.

In summary, Boston Gas has proposed to recover gas-related bad debt expense as an exogenous cost due to cost changes associated with changes in market conditions for natural gas. In the instant case, the Department finds that cost changes associated with changes in market conditions that uniquely affect the local gas distribution industry are beyond the Company's control. Such cost changes should not be construed as an automatic ground for companies to propose exogenous cost recovery. In this instance, the Department has allowed Boston Gas to recover gas-related bad debt expense as an exogenous cost in the instant case because (1) the Company is under a PBR plan and cannot file a rate case to recover the

proposed costs; (2) the cost change is significantly above the levels approved in the Company's last rate case; (3) the cost change is associated with a pass-through item; and (4) the cost change is not included in the GDP-PI.

In allowing Boston Gas to recover these under-recovered bad debt expenses, we find that the Company's Alternative 1 to be reasonable. The period applicable to the gas-related bad debt expenses in question, January through December 2004, is consistent with the period under review in this Compliance Filing. Also, recovery of these expenses through the Company's gas adjustment factor ("GAF") is consistent with the Department's treatment of the recovery of gas-related bad debt expenses.

Our concerns with the other alternatives proposed by the Company for recovery of these costs causes us to reject them. Under Alternative 2, the Company proposes recovery partly through its PBR adjustment and partly through its GAF. This type of recovery is not consistent with the Department's policy for the recovery of gas-related bad debt expenses through the GAF. Under Alternative 3, the Company, among other things, would restate its reconciliation for the period November 2003 through April 2004 for recovery of the restated costs through the current peak period GAF. Such a restatement within the CGAC process is not consistent with our finding that these are exogenous costs under the Company's PBR plan.

Thus, we find that it is reasonable for the Company to recover these costs consistent with the approach used in Alternative 1. That is, the Company may recover its under-recovered gas-related bad debt expenses for the period January 1, 2004 through December 31, 2004 through its 2005-2006 peak period GAF. The Company identifies the amount of

\$9,012,035 for recovery under Alternative 1. However, this amount includes expenses for November and December 2003, which are outside the PBR compliance period. Therefore, the Department directs the Company to file within ten (10) days of the date of this Order schedules and supporting workpapers presenting actual under-recovered gas-related bad debt expense for the period January 1, 2004 through December 31, 2004. For the purpose of the Company's 2005-2006 peak period GAF, the Company may include the amount of \$9,012,035, subject to reconciliation.

By approving this recovery mechanism, the Department is determining the amount of gas-related bad debt expense to be recovered as a result of our findings in this case. The Department is not changing the formula for the GAF or the requirements of the Company's CGAC.

There is a larger question involved here, larger than the working of regulatory formulas, whether they be CGAC or exogenous-cost formulas. A gas distribution company has an obligation to serve existing customers. Gas Transportation, D.P.U. 85-178 at 8 (1987). This Company's obligations to its customers largely consists of distribution services, transportation services, and gas supply acquisition in the wholesale markets. Boston Gas Company, D.P.U. 88-67 (Phase I) at 282 (1988). The Company is constitutionally guaranteed the opportunity, given efficient management, to recover costs reasonably and necessarily incurred to serve the customers it is obligated to serve so that it may maintain its financial integrity and attract capital. Bluefield Water Works Improvement Company v. Public Service Commission of West Virginia, 262 U.S. 679 (1922) ("Bluefield"); Federal Power Commission

v. Hope Natural Gas Company, 320 U.S. 591 (1944) (“Hope”). Where a company does a reasonable job of managing collections of slow-paying accounts and keeps to a reasonably low level the amount of unrecovered debt attributable to distribution rates, it is not consistent with Bluefield and Hope to deny recovery of costs that, while necessarily incurred to meet service obligation, are largely beyond its control. Constitutionally sound regulation requires something else. When the Company buys gas supply today at wholesale, it has no effective control over the prevailing conditions or prices in the wholesale market. It must, nonetheless, purchase gas to meet the throughput demand of the customers it is obligated to serve. Provided it does so with efficiency, it should be able to recover its costs, including those incurred in serving nonperforming accounts. The current, historically extreme wholesale gas prices and the unforeseen and unintended effects of D.T.E. 03-40 on gas-related bad debt expense recovery, taken in combination, effectively deny the Company its constitutionally protected opportunity to earn a reasonable return. While the Department has been asked to address the bad-debt question as a CGAC item in the pending Bay State Gas Company docket, D.T.E. 05-27, and will do so, the matter has also been raised here in D.T.E. 05-66 and must be answered. The exogenous cost adjustment requested here is just and will be allowed. In summary, the Department will allow the Company to recover gas-related bad debt as an exogenous cost until such time as the Department provides for a consistent rule concerning CGAC bad debt cost recovery, which matter is at issue in D.T.E. 05-27.

V. ORDER

Accordingly, after due notice and consideration, it is

ORDERED: That the tariffs M.D.T.E. Nos. 101.2 through 112.2, filed by Boston Gas Company on September 16, 2005, to become effective November 1, 2005, are ALLOWED; and it is

FURTHER ORDERED: That Boston Gas Company is authorized to collect the amount of \$9,012,035 in gas-related bad debt expenses through its 2005-2006 peak gas adjustment factor subject to reconciliation; and it is

FURTHER ORDERED: That Boston Gas Company shall comply with all other directives contained in this Order.

By Order of the Department,

/s/

Paul G. Afonso, Chairman

/s/

James Connelly, Commissioner

/s/

W. Robert Keating, Commissioner

/s/

Judith F. Judson, Commissioner

/s/

Brian Paul Golden, Commissioner

An appeal as to matters of law from any final decision, order or ruling of the Commission may be taken to the Supreme Judicial Court by an aggrieved party in interest by the filing of a written petition praying that the Order of the Commission be modified or set aside in whole or in part. Such petition for appeal shall be filed with the Secretary of the Commission within twenty days after the date of service of the decision, order or ruling of the Commission, or within such further time as the Commission may allow upon request filed prior to the expiration of the twenty days after the date of service of said decision, order or ruling. Within ten days after such petition has been filed, the appealing party shall enter the appeal in the Supreme Judicial Court sitting in Suffolk County by filing a copy thereof with the Clerk of said Court. G.L. c. 25, § 5.